Elbit Systems' subsidiary, the Elisra Group, awarded an approximately US$8 million contract to supply Personal Survival Radios to the German Air Force

Haifa, Israel, September 10, 2006 – Elbit Systems Ltd. (NASDAQ Global Select Market: ESLT) announced that Tadiran Spectralink Ltd. (Spectralink), a member of the Elisra Group, won a contract for the supply of the advanced PSR-434G/SV Personal Survival Radio (PSR) to the German Air Force. The current order, for approximately US$8 million, is anticipated to result in follow-on orders for additional quantities of the PSR, intended for other branches of the German military, plus a comprehensive Integrated Logistics Support package. Other European countries are expected to follow suit.

The PSR-434G/SV was developed by Spectralink to meet the needs and requirements of the German Armed Forces and according to specifications established by the German Air Force. With its exclusive features, plus reduced weight and volume, this is the smartest and smallest PSR currently available in its class.

Spectralink's President and CEO, Mr. Itzhak Beni, said that this order further strengthens Spectralink's already firm position as a prime supplier of PR/SAR systems to modern armed forces throughout the world. He stated that the company is in a position to offer customers in Europe and elsewhere, advanced combat and non-combat PR/SAR systems, enabling users to choose from among a large variety of models and configurations. One of the advantages of Spectralink's advanced PR/SAR technology, said Beni, is that "with our SDR (Software Defined Radio) technology we facilitate tailoring solutions to each customer's specific requirements."

About the Elisra Group

The Elisra Group comprises Elisra Electronic Systems Ltd., Tadiran Electroni c Systems Ltd. and Tadiran Spectralink Ltd. The Group designs, develops, manufactures, integrates and supports advanced system solutions for air, sea and land deployed in numerous countries worldwide. Major products include New Generation - Integrated Self-Protection Suites including: Multi-Spectral EW Payloads with Radar Warning Receivers; Laser Warning System;, Passive IR Missile Warning System; and Chaff and Flare Dispensing System for Fighters, Helicopters, Transport Aircraft and MPA. The Group also supplies SIGINT Systems with C4ISTAR,

COMINT DF/ ELINT/ECM; Full C4I Solutions for all Battlefield Command Chains; Battlefield Management and Control Systems including Artillery C4I Systems; Theater Missile Defense including Test Bed; Advanced Search and Rescue Systems; and Data Links for UAV's and Guided Munitions.
The Elisra Group is a 70% subsidiary of Elbit Systems.

About Elbit Systems

Elbit Systems Ltd. is an international defense electronics company engaged in a wide range of defense-related programs throughout the world, in the areas of aerospace, land and naval systems, command, control, communications, computers, intelligence, surveillance and reconnaissance ("C4ISR"), advanced electro-optic and space technologies. The company focuses on the upgrading of existing military platforms and developing new technologies for defense and homeland security applications.

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